

Local Education Agency  
Ad Hoc Workgroup Meeting  
**September 13, 2006 Meeting Summary**

**Location:** Sacramento City Unified School District

**ATTENDEES:**

<b>Name</b>	<b>Organization/Title</b>
1. Barbara Schultz	CDHS, Medi-Cal Benefits Branch
2. Carol Massey-McCants	CDHS, Medi-Cal Benefits Branch
3. John DiCecco	Los Angeles Unified School District (USD)
4. Laura Baynham	Mendocino County Office of Education (COE)
5. Cathy Bennett	Sacramento City USD
6. Susan Bier	Konocti USD
7. Margie Bobe	Los Angeles USD
8. Sherry Purcell	Los Angeles USD
9. Lindsey Jessup	Fresno USD
10. Cynthia White-Piper	San Bernardino City USD
11. Anysia Drumheller	Butte COE
12. Barbara Miller	Fresno USD
13. Sue Hamblin	Stanislaus COE
14. Judy Holzapfel	Glenn COE
15. Robert Powell	California Speech-Language-Hearing Association
16. Kevin Harris	Navigant Consulting Inc.
17. Marna Hammer	Navigant Consulting Inc.
18. Gloria Eng	Navigant Consulting Inc.
19. Marlana Evans	Navigant Consulting Inc.
20. Kirsten Martens	Navigant Consulting Inc.

**Handouts**

Each participant received a folder with copies of the following: Agenda, the chaptered version of Assembly Bill 2950, Cost and Reimbursement Comparison Schedule (CRCS) Training DVD, Senate Bill 231 Implementation Project Status Reports (May through July 2006) and Navigant Consulting's PowerPoint presentation. In addition, copies of a letter to the Director of the California Department of Health Services (CDHS), on behalf of the LEA Ad Hoc Workgroup, commending the Department on the July 1<sup>st</sup> implementation of State Plan Amendment (SPA) 03-024 were distributed.

**Purpose**

The meeting was convened by the CDHS in partnership with LAUSD. The purpose of the Workgroup is to improve the Local Educational Agency (LEA) Program. The emphasis of the meeting is to strategize various goals and activities aimed at enhancing the Medi-Cal services provided on school sites and access by students to these services, while increasing federal reimbursement to LEAs for the cost of providing these services.

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**Assembly Bill 2950**

Assembly Bill (AB) 2950 was approved August 2006 by the Governor and will be effective January 1, 2007. LEAs will no longer be subject to timeliness penalties for claims submitted between six and 12 months after the date of service.

**Action:**

What: Determine if the effective date of AB 2950 is based on date of service or date of payment.

Who: CDHS

Resolution: CDHS determined that reductions on claims submitted between six and twelve months after the month of service will be eliminated.

**Referrals for Speech Therapy and Audiology Treatment Services**

At the end of the Spring 2006 LEA Medi-Cal Billing Option Program trainings, CMS provided clarification regarding appropriate documentation for referrals for speech therapy and audiology treatment services. LEAs must meet both State and federal guidelines to ensure proper documentation of treatment services. To meet State requirements, LEAs must obtain a written referral from a physician or dentist, or implement physician-based standards protocol to document medical necessity. Federal requirements, as defined in 42 Code of Federal regulations 440.130(c), require a written referral from a licensed physician or other licensed practitioner of the healing arts within the practitioner's scope of practice (i.e., licensed speech-language pathologist or licensed audiologist). The physician-based standards protocol does not meet federal requirements for documenting medical necessity of speech and audiology treatment services. The LEA Provider Manual will be updated to reflect this information.

**Post SPA Implementation Issues**

As of July 1, 2006, the LEA claims processing system has been modified to reflect the new LEA billing codes and policy changes. CDHS has identified errors in the claims processing system. CDHS is currently working with Electronic Data Systems (EDS) and Payment System Divisions (PSD) to resolve these issues as soon as possible.

**Action:**

What: Provide CDHS with continued feedback of paid claims issues and errors.

Who: Workgroup

When: Ongoing

**Action:**

What: Meet with PSD and EDS to discuss paid claims issues, potential resolutions and timeline for resolving issues.

Who: CDHS

When: September 15, 2006

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**Action:**

What: Provide updates regarding resolutions and timeline to Co-Chairs.

Who: CDHS

When: As soon as possible

**Action:**

What: Post a notice to LEA providers regarding paid claims issues on the LEA Program website.

Who: CDHS and NCI

**Action:**

What: Contact CDE to discuss IDEA language regarding assessments to determine student eligibility for IDEA services.

Who: CDHS

When: Discuss with Linda Davis-Aldritt

**Models of Service Delivery**

After review, CMS has upheld its guidance in the August 1997 CMS Technical Assistance Guide regarding Model 3 for school-based service delivery. Model 3 requires that LEAs employ a practitioner in order to bill Medicaid for practitioners of the same type who are contracted to provide supplemental services.

**Practitioner Qualifications**

Registered Associate Social Workers are interns in social work. These practitioners are not yet licensed clinical social workers, but many hold a credential in school social work. Registered Associate Social Workers who have a credential in school social work are qualified to provide and bill for the following LEA services: psychosocial status assessments, health education/anticipatory guidance, psychology and counseling treatment services, and targeted case management.

**Pay and Chase**

The Workgroup proposed that a formal discussion be conducted between providers and CDHS regarding Pay and Chase issues that are impacting LEAs. The concern centered around exhausting a student's maximum lifetime benefit by billing private insurers. The way in which the State currently conducts Pay and Chase may unknowingly put LEAs in violation of Free and Appropriate Public Education (FAPE) regulations.

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**Action:**

What: Talking Points on the issue; provide CDHS with copy of letter sent to Stan Rosenstein

Who: John DiCecco

When: As soon as possible

**Action:**

What: Contact Third Party Liability to discuss Pay and Chase issues.

Who: CDHS

When: As soon as possible

**LEA Provider Manual Update**

The updated LEA portion of the Medi-Cal Provider Manual was published on May 15, 2006. Minor revisions were subsequently made and published on August 15, 2006. Revised sections of the LEA portion of the Medi-Cal Provider Manual included: loc ed bil, loc ed bil cd, loc ed indiv, loc ed serv nurs, loc ed serv occu and loc ed serv phy. Updated referral requirements for speech therapy and audiology treatment services are to be published in October.

**Action:**

What: Specify the page numbers where updates were made to the LEA Provider Manual on the LEA Program website.

Who: NCI and CDHS

When: Ongoing

**Inflation of Current Rates**

In accordance with SPA 03-024, CDHS and Navigant Consulting are preparing to update the interim rates to reflect inflation.

**Action:**

What: Determine appropriate method of implementing the updated rates in the claims processing system with PSD and EDS.

Who: NCI and CDHS

When: As soon as possible

**Fiscal Year (FY) 2005-2006 Paid Claims Data**

Review of the FY 2005-2006 paid claims data has been completed. Overall, total reimbursement and the distribution of payments between services were consistent with the prior fiscal year. Total program reimbursement in FY 2005-2006 was \$64.6 million, with 470 active providers.

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**Other Work In Progress**

CDHS and Navigant Consulting are administering the Third Party Liability (TPL) Survey using the new national codes. CDHS has requested contact information for 20 additional OHCs that cover LEA beneficiaries specifically.

Work continues on the regulations package, and a timeline for the regulations process will be determined after a meeting with the Office of Regulations in the coming weeks.

Review and analyses of a sample of the claims data for July 2006 with new national codes from EDS will continue over the next month. Results from the analyses will be reviewed at the next Workgroup meeting.

CDHS is working with CMS to finalize the methodology for LEAs to request a prior rate adjustment, effective back to the date that SPA 03-024 was approved by CMS.

**Future Workgroup Meetings**

Meetings for this school year will continue to be held every other month, on the first Wednesday of the meeting month.

The next Workgroup meeting for CDHS and providers will be held in Sacramento on November 1<sup>st</sup>.